

# ARIZONA STATE SENATE

Fifty-Fifth Legislature, First Regular Session

#### FACT SHEET FOR H.B. 2267

professional licensure fees; waiver; reduction

## **Purpose**

Requires outlined regulatory boards and agencies (regulating entities) to provide a onetime licensure or certification fee waiver or reduction if the entity determines its licensing fund ending balance will exceed 50 percent of the current fiscal year appropriation from that fund.

### **Background**

To practice or perform a regulated occupation or profession or use certain occupational or professional titles, a person must meet specific qualifications and apply to the designated regulating entity for the license, certificate or authorization. The initial application and renewal processes, including initial and renewal licensing certification fees, vary across the professions and occupations (A.R.S. Title 32).

If temporarily reducing or waiving licensing certification fees results in a change in revenues collected from fees that are otherwise directed to the state General Fund, there may be a fiscal impact to the state General Fund.

#### **Provisions**

- 1. Requires a regulating entity that determines its licensing fund ending balance would exceed 50 percent of its fund appropriation to provide a onetime waiver or reduction from licensure or certification renewal fees to reduce the balance in its licensing fund to below 50 percent of its appropriation from that fund.
- 2. Specifies that the waiver or reduction must be provided in the upcoming fiscal year or within the normal schedule for renewing licenses or certificates if longer than one year.
- 3. Requires, by September 1, each regulating entity to annually determine whether the regulating entity expects its licensing fund ending balance to exceed 50 percent of the appropriations from that fund in the current fiscal year by reviewing:
  - a) the costs it incurs;
  - b) the monies in its funds; and
  - c) the fee revenues it collects.
- 4. Requires, in determining the amount of the waiver or reductions, a regulating entity to:
  - a) attempt to ensure that all existing licensees or certificate holders receive one waiver or reduction;
  - b) attempt to ensure that fee reduction as a percentage of the base fees are the same for initial and renewal licenses and certificates; and
  - c) waive or reduce new license or certificate holder fees in the subsequent fiscal year.

- 5. Requires the regulating entity to:
  - a) notify, by July 1 of the fiscal year in which a fee reduction or waiver becomes effective, existing licensees or certificate holders of its intention to provide the reduction or waiver and the expected amount; and
  - b) prominently announce the fee reduction or waiver for new and existing licensees or certificate holders on the home page of its website.
- 6. Applies the licensure or certification fee reduction or waiver to the:
  - a) Arizona State Board of Accountancy;
  - b) Board of Barbers;
  - c) Board of Cosmetology;
  - d) Registrar of Contractors;
  - e) State Board of Funeral Directors and Embalmers;
  - f) State Board of Private Postsecondary Education;
  - g) Arizona State Board of Technical Registration;
  - h) Acupuncture Board of Examiners;
  - i) Arizona Board of Osteopathic Examiners in Medicine and Surgery;
  - j) Arizona Medical Board;
  - k) Arizona Regulatory Board of Physician Assistants;
  - 1) Arizona State Board of Pharmacy;
  - m) Arizona State Board of Veterinary Medical Examining;
  - n) Board of Athletic Training;
  - o) Board of Behavioral Health Examiners;
  - p) Board of Chiropractic Examiners;
  - q) Board of Dispensing Opticians;
  - r) Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers;
  - s) Board of Homeopathic Integrated Medicine Examiners;
  - t) Board of Massage Therapy;
  - u) Arizona Board of Nursing;
  - v) Board of Occupational Therapy Examiners;
  - w) Board of Optometry;
  - x) Board of Physical Therapy;
  - y) Board of Podiatry Examiners;
  - z) Board of Respiratory Care Examiners;
  - aa) Naturopathic Physicians Medical Board;
  - bb) Arizona State Board of Dental Examiners; and
  - cc) State Board of Psychologist Examiners.
- 7. Specifies that a regulating entity may temporarily reduce or waive any initial or renewal licensure or certification fees.
- 8. Allows a regulating entity to include in the budget estimates submitted to the Governor, a report of an expected need for onetime monies greater than 50 percent of its annual appropriation for onetime capital, information technology or similar costs.

- 9. Requires, by September 1, the regulating entity to annually report its fee plans to the Governor, the President of the Senate and the Speaker of the House of Representatives, including:
  - a) the expected amount of revenues and expenditures in the current fiscal year;
  - b) the projected licensing fund ending balances; and
  - c) the reasoning and justification for how the waiver or reduction plan will achieve required fee reductions.
- 10. Makes conforming changes.
- 11. Becomes effective on the general effective date.

### **House Action**

COM 1/26/21 DP 10-0-0-0 3<sup>rd</sup> Read 2/4/21 56-3-0-0-1

Prepared by Senate Research March 1, 2021 LB/MC/kja